

Office of Inspector General

Proposed Appropriation Language

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, [\$29,500,000] *\$33,000,000*, to remain available until expended.

Inspector General Program Direction

Mission Supporting Goals and Objectives

Program Mission

The Office of Inspector General (OIG) statutory mandate is to detect and prevent fraud, waste, abuse, and violations of law and to promote economy, efficiency, and effectiveness in the operations of the Department of Energy (DOE).

In the last year, Congress has sought extensive improvements in the Department's security, intelligence and counterintelligence programs. It established new requirements for the Department and, perhaps most importantly, reorganized the Department to address these concerns. As a result, the OIG will have to focus additional resources on the new organization and on the areas of security, intelligence and counterintelligence. This additional work will add to the challenge of providing adequate OIG coverage to those other areas that have been of historical concern to the Congress and the Administration, most notably: DOE's contract management, project management, environmental clean-up, and technology transfer activities. An additional burden has been placed on OIG resources because the Secretary and Congress continue to increase reliance on the OIG to perform sensitive, complex tasks in short periods of time. Some of these tasks performed this past year are:

- Investigative inquiry into an alleged espionage suspect's access to sensitive classified information.
- Investigative inquiry into alleged delays in briefing senior Department officials as well as committees of Congress concerning allegations of espionage at a DOE national laboratory.
- Review to determine the status of the implementation of over 40 recommendations contained in the Counterintelligence Implementation Plan developed in response to a Presidential Decision Directive.
- Review, as part of an interagency effort, of the export licensing process for dual-use and munitions commodities.
- Review relating to the unauthorized release outside the Department of an "Unclassified Controlled Nuclear Information" internal report.

The OIG expects this trend to continue, thus placing additional strain on the performance of the OIG's statutory mandates, which include:

- Annual financial statement audits required by the Chief Financial Officers (CFO) Act of 1990 and the Government Management Reform Act (GMRA) of 1994. This work currently requires one-third of the audit staff plus contracted support.
- Review of the Department's implementation of the Government Performance and Results Act (GPRA) of 1993.
- Audit of the operation of the value engineering program in the Department as required by OMB Circular A-131.
- Report to the Intelligence Oversight Board as required by Executive Order 12863, "President's Foreign Intelligence Advisory Board," at least quarterly and "as necessary or appropriate." Includes

reviews to ensure the Department's intelligence activities are conducted in accordance with existing requirements as required by Executive Order 12333, "United States Intelligence Activities."

- Annual review of Department policies and procedures with respect to the export of military sensitive technologies and information to countries of concern.
- Review and processing of employee whistleblower reprisal complaints made pursuant to Section 6006 of the Federal Acquisition Streamlining Act of 1994 and complaints by intelligence community employees who report urgent concerns under the Intelligence Community Whistleblower Act of 1998.

Program Goal

Promote the efficient, effective, and economical operation of the Department of Energy.

Program Objectives

- Make recommendations for positive change in Department programs and operations through the issuance of reports.
- Conduct audits required by the CFO Act and the GMRA, and other required audits.
- Render an opinion on the Department's consolidated financial statements, system of internal controls, and compliance with laws and regulations.
- Focus performance reviews on those issues, programs and systems having the greatest potential impact on the protection or recovery of public resources. This specifically includes steps evaluating the Department's implementation of the Government Performance and Results Act.
- Conduct oversight of the Department's intelligence programs, as required by Executive Order.
- Conduct inspections of non-criminal allegations, which enable the Department to hold employees and contractors accountable to the highest standards of honesty, objectivity, and integrity.
- Investigate allegations of violations of criminal and civil Federal law, as well as serious administrative misconduct, in order to facilitate successful prosecutions and administrative actions that maximize recovery of public resources and deter future wrongdoing.
- Maintain investigative inter-agency and intra-agency cooperative efforts to combat fraud, waste, and abuse.
- Conduct proactive investigations focusing on areas most vulnerable to fraud, waste, and abuse within the Department.

Performance Measures

- Complete the required annual financial statement audits by designated due dates in the law.
- Complete at least 60 percent of audits planned for the year and replace those audits not started with more significant audits which identify time-sensitive issues needing review.
- Complete at least 90 percent of all audits within 12 months to provide timely information to Department management.

- Ensure that at least 90 percent of performance reviews incorporate approaches to evaluate performance measures and how they were applied.
- Initiate at least 80 percent of inspections planned for the year and replace those not started with inspections having greater potential impact.
- Complete at least 80 percent of inspections within 12 months.
- Provide OIG intelligence oversight reports to the Intelligence Oversight Board within required time frames.
- Issue at least 10 inspection reports containing recommendations for positive change in Department programs and operations.
- Refer at least 85 percent of allegations to management within 14 days of the case being initiated after a referral decision has been made by the OIG.
- Obtain judicial and/or administrative action on at least 35 percent of all cases investigated during the fiscal year.
- Obtain at least a 75 percent acceptance rate on criminal and civil cases formally presented for prosecutorial consideration.
- Ensure that at least 25 percent of all cases open during the fiscal year are task force/joint agency investigations.
- Obtain at least a 90 percent management compliance rate for recommendations made in investigative reports issued to Department management.
- Conduct fraud awareness briefings every quarter.
- Increase staff hours dedicated to proactive case development and investigations by 10 percent over the previous fiscal year.

Significant Accomplishments and Program Shifts

FY 1999 Accomplishments

In addition to the examples listed under Program Mission, following are further accomplishments of the OIG for FY 1999:

- Issued 84 audit reports with a potential dollar impact of \$209,743,264.
- Opened 77 investigations and referred 40 investigations to the Department of Justice for prosecutive action or to DOE management for administrative action. Investigative results include: close to \$13.4 million in investigative recoveries; over \$244,000 in fines; 9 administrative disciplinary actions and 16 monetary and other actions; 17 debarments or suspensions; 20 cases accepted for prosecution; 9 indictments; 5 convictions; 6 pretrial diversions; and 8 civil actions.
- Issued 41 inspection reports, and Department management accepted 44 recommendations to improve the economy and efficiency of Department operations. Resolved 36 cases of alleged reprisal against contractor employees.

- Continued to attempt to address, within existing resource constraints, inadequate audit coverage of DOE which has been reported since 1991 as a material weakness in the Federal Managers' Financial Integrity Act (FMFIA) letter to the President.
- Established technology capabilities to support audit and investigative responsibilities.
- Initiated programs to proactively address grant and procurement fraud. Currently, the OIG has 38 open investigations involving contract or grant fraud in excess of \$250,000 each, with a total estimated dollar loss/impact of close to \$196 million.
- Reported that the Department's implementation of the GPRA was incomplete. Little evidence existed that the Department could ensure the reliability of cost data provided by its contractors. Unless it validates such costs, the Department cannot assure that it is receiving acceptable results for the more than \$14 billion obligated by contractors each year.
- Issued quarterly reports to the Intelligence Oversight Board (IOB), and provided intelligence-related briefings to IOB Counsel and to staff members of the Senate Select Committee on Intelligence and the House Permanent Select Committee on Intelligence.
- Found that an electric power cooperative overcharged the Western Area Power Administration (WAPA) approximately \$23.8 million which, including interest, resulted in a total of \$45.9 million due WAPA.
- Determined that the Department has not been successful in protecting the government against contractor-created liabilities in 16 of its 20 major for-profit operating contracts. As a result, the Department may be liable for monetary awards resulting from fines, penalties, third-party claims, and damages to or loss of government property. As of April 30, 1998, claims valued at \$332 million had been filed against these 16 contractors. In spite of this vulnerability, award fees for the 16 contractors increased 23 percent (\$37 million) over a 4-year period.
- Issued two reports that identified a need to improve the cost effectiveness and management oversight of the Department's \$20 million aircraft program. In a review performed at the request of the Secretary of Energy, the OIG found that independent analyses of the continuing need for aircraft have been performed only on a limited basis, and that no Headquarters organization had the responsibility to monitor costs.
- Determined that the Department had not developed adequate policies and procedures for conducting its conference activities and the conference activities of its contractors. Contrary to guidelines and regulations, the Department did not have consistent, Departmentwide procedures in place to ensure that conference costs are minimized, or a policy to ensure that the number of conference participants is kept to a minimum.
- Recommended that the Albuquerque Operations Office implement the debt collection strategy outlined in the *DOE Accounting Handbook*, resulting in the collection of \$29 million.
- Substantiated through an OIG investigation and Defense Contract Audit Agency audit that a company had mischarged time on Department and other government agency contracts. The mischarging was done in part to prevent cost overruns on various tasks. The investigation and audit resulted in a \$425,000 civil settlement between the Department of Justice and the contractor.
- Determined that additional actions are required by the Department to ensure that DOE contractors are taking appropriate action to implement the Department's goal of early identification and self reporting

of nuclear safety deficiencies and violations of DOE nuclear safety requirements related to the Price Anderson Amendments Act of 1988.

- Found that the Department had not developed an integrated program to preserve the knowledge base of the downsized nuclear weapons complex. Lack of such a program creates several problems. For example, the long-term effectiveness of the Department's program to ensure the safety, reliability, and performance of the stockpile without nuclear tests could be jeopardized.
- Disclosed that the president of a subcontractor at a national laboratory submitted false bioassay data used as an early warning measure for detecting workers' potential exposure to nuclear materials. The false test results may have inaccurately identified a person's actual exposure to nuclear materials. Accurate reporting would have alerted authorities to potentially excessive radioactive exposure. The president of the company was ordered to pay \$122,216 in restitution to the Department and a \$40,000 fine, and he and his company were debarred from government contracting for 10 years.
- Found that the Department needs to act more promptly and effectively to address weaknesses identified in OIG audits. Although senior management recently has placed renewed emphasis on resolution and follow-up of audit findings, implementation of OIG recommendations from this audit would strengthen further the Department's process.
- Determined that the Department was not effectively identifying and disposing of unneeded non-nuclear material inventory at a major DOE Plant. As of October 1998, materials preliminarily determined to be unneeded and valued at about \$275 million had not been reviewed and approved for retention or disposal. The Plant incurred over \$2 million annually in additional storage costs, and did not benefit from the revenue that could have been derived from the sale of any marketable portion of the unneeded materials.
- Found that a Department contractor did not operate the Toxic Substances Control Act Incinerator at the 17.3 million-pound annual burn rate permitted by the State of Tennessee or at the "attainable" capacity. It was concluded that if operated at capacity, the Department could treat all of the incinerable waste, close the incinerator 39 months earlier than planned, and reduce operating costs by \$39 million.
- Concluded that although the Department accounted for funds and the purchase of equipment it provides the Former Soviet Union under the Nuclear Material Protection, Control, and Accounting (MPC&A) program, improvements are needed to ensure that funds and equipment are used for their intended purposes.
- Opened 12 task force/joint investigations with other law enforcement agencies, bringing the total to 56 open as of September 30, 1999. These investigations permit the OIG to integrate resources and technical expertise with other agencies to maximize the potential for positive outcomes.
- Referred 220 allegations of waste, fraud and abuse that were administratively resolvable to DOE management and other Government agencies.
- Assisted the Department of Justice in investigating the government's counterclaim against a former contractor at the Department's Rocky Flats site. The contractor filed a breach of contract action against the Department claiming it should be reimbursed for additional award fees. The Government argued that the contractor should not have received any award fees based on the contractor's failure to properly dispose of radioactive waste. Two OIG special agents were assigned full time to the investigation for an 18-month period. A trial held in U.S. District court found that the contractor

submitted false claims in violation of the False Claims Act. The jury awarded the Government treble damages of \$4.2 million. The contractor has appealed the verdict.

FY 2000/2001 Planned Activities

During FYs 2000 and 2001 the OIG plans to focus efforts on the following major issue areas it has identified as most susceptible to fraud, waste and abuse: (1) contract/grant administration, (2) intelligence/counterintelligence, (3) safeguards and security, (4) program management and operations, (5) environment, safety, and health, (6) infrastructure, (7) financial management, (8) administrative safeguards, and (9) information technology management.

Following are examples of how the OIG plans to address these major issue areas:

- Meet the requirements of the CFO Act and the GMRA for audited Department financial statements.
- Identify and report significant information systems deficiencies, thereby enabling the Department to take corrective action and demonstrate improved stewardship of public resources.
- Focus performance reviews on those issues and programs having the greatest potential for the protection or recovery of public resources. Primary focus areas are environmental management and Laboratory operations, each accounting for about \$6 billion annually.
- Address the growing number of Qui Tam lawsuits (when a private citizen files a suit under the False Claims Act in the name of the U.S. Government for fraud by government contractors and other entities). As of January 2000, the OIG was actively assisting the Justice Department on 24 Qui Tam cases, with a potential recovery value of \$121.6 million.
- Continue to improve internal technology expertise, including development of computer-related fraud profiles and forensic abilities.
- Conduct reviews of actions of the National Nuclear Security Administration to ensure it is performing in an efficient and effective manner.
- As part of a congressionally mandated interagency effort, conduct annual reviews of the Department's export control policies and procedures to protect against the acquisition of sensitive U.S. military technology by countries and entities of concern.
- Conduct audits of the Department's grants and cooperative agreements, which account for about \$1.6 billion in annual obligations. In 1997, the OIG estimated that the Department had not received final technical deliverables for 700 grants valued at over \$200 million.
- Conduct proactive investigations of the Department's contract and grant programs, using OIG-established "profiles" of contract and grant fraud indicators. This will allow investigators to dedicate resources to programs and operations most susceptible to fraud.
- Fulfill intelligence-related responsibilities under Executive Orders 12863 and 12333, as previously discussed.
- Increase public confidence in the security of DOE operations by conducting reviews of DOE safeguard and security activities to protect nuclear weapons and materials, sensitive facilities, and classified information.

- Conduct reviews of the adequacy of the implementation of counterintelligence measures by the Department to deny acquisition by foreign entities of sensitive and classified U.S. technology.
- Schedule specific reviews of reportable problem areas identified in FMFIA letters to the President.
- Include specific steps in each audit to examine relevant performance measures and standards in light of the *U.S. Department of Energy Strategic Plan* (September 1997) and the Government Performance and Results Act of 1993 placing more emphasis on managing for results. Results of these steps will be addressed and incorporated into each issued audit report so that Department management, Congress and other Department customers can more easily assess program results. The Administration and Congress have expressed a high level of interest in Results Act implementation.
- Continue proactive liaison and case development efforts with prosecutors, Department officials, and officials from other law enforcement agencies.
- Conduct routine fraud awareness briefings with Department managers, program officials, and contractors. These briefings will foster open lines of communication and educate individuals about common fraud indicators.
- Represent the OIG in multi-agency task force initiatives aimed at the prevention and detection of fraud, waste, and abuse, thus permitting the OIG to combine resources and technical expertise with other agencies to maximize the potential for positive outcomes.
- Develop proactive initiatives and conduct proactive investigations involving environment, safety, and health (ES&H) issues. This is critical given: (1) the presence of approximately 75 environmental cleanup sites throughout the DOE complex, (2) the Department's expenditure of billions of dollars each year on environmental cleanup, and (3) the potential significant adverse impact of environmental violations on public health and safety.
- Refer to Department management or other agencies for appropriate action allegations received by the OIG Hotline that are administratively resolvable.

Because of the OIG's increased responsibilities and the need to continue addressing them, an increase to the requested \$33 million is absolutely essential. Without such an increase, the OIG will have to discontinue some critical initiatives. This would be especially counterproductive because the OIG provides a substantial positive dollar impact, in addition to numerous other benefits resulting from improved Department operations and reduced unlawful activity because of an active OIG presence.

-0.010**0.030****0.050****Funding Schedule**

(dollars in thousands, whole FTEs)

	FY 1999	FY 2000	FY 2001	\$ Change	% Change
Albuquerque Operations Office					
Los Alamos					
Salaries and Benefits.....	540	511	614	103	20.2%
Travel.....	30	29	34	5	17.2%
Support Services.....	58	61	117	56	91.8%
Other Related Expenses.....	17	26	25	-1	-3.8%
Subtotal, Los Alamos.....	645	627	790	163	26.0%
Full Time Equivalents.....	6	6	7	1	16.7%
Albuquerque					
Salaries and Benefits.....	2,431	2,468	2,633	165	6.7%
Travel.....	136	140	147	7	5.0%
Support Services.....	261	295	500	205	69.5%
Other Related Expenses.....	77	127	108	-19	-15.0%
Subtotal, Albuquerque.....	2,905	3,030	3,388	358	11.8%
Full Time Equivalents.....	27	29	30	1	3.4%
Total, Albuquerque Operations Office.....	3,550	3,657	4,179	522	14.3%
Chicago Operations Office					
Argonne					
Salaries and Benefits.....	630	596	702	106	17.8%
Travel.....	35	34	39	5	14.7%
Support Services.....	68	71	133	62	87.3%
Other Related Expenses.....	20	31	29	-2	-6.5%
Subtotal, Argonne.....	753	732	903	171	23.4%
Full Time Equivalents.....	7	7	8	1	14.3%
Princeton					
Salaries and Benefits.....	540	511	527	16	3.1%
Travel.....	30	29	30	1	3.4%
Support Services.....	58	61	100	39	63.9%
Other Related Expenses.....	17	26	22	-4	-15.4%
Subtotal, Princeton.....	645	627	679	52	8.3%
Full Time Equivalents.....	6	6	6	0	0.0%
Total, Chicago Operations Office.....	1,399	1,358	1,581	223	16.4%
Golden Field Office					
Western Area Power Administration					
Salaries and Benefits.....	991	936	965	29	3.1%
Travel.....	55	53	54	1	1.9%
Support Services.....	106	112	184	72	64.3%
Other Related Expenses.....	31	48	39	-9	-18.8%
Total, Western Area Power Administration.....	1,183	1,149	1,242	93	8.1%
Full Time Equivalents.....	11	11	11	0	0.0%
Idaho Operations Office					
Idaho Falls					
Salaries and Benefits.....	720	681	702	21	3.1%
Travel.....	40	39	39	0	0.0%
Support Services.....	77	81	133	52	64.2%
Other Related Expenses.....	23	35	29	-6	-17.1%
Total, Idaho Operations Office.....	860	836	903	67	8.0%
Office of Inspector General					
Full Time Equivalents.....	8	8	8	0	0.0%
Program Direction					

	FY 1999	FY 2000	FY 2001	\$ Change	% Change
National Energy Technology Laboratory					
Pittsburgh					
Salaries and Benefits.....	901	851	878	27	3.2%
Travel.....	50	48	49	1	2.1%
Support Services.....	97	102	167	65	63.7%
Other Related Expenses.....	28	44	36	-8	-18.2%
Total, National Energy Technology Laboratory.....	1,076	1,045	1,130	85	8.1%
Full Time Equivalents.....	10	10	10	0	0.0%
Nevada Operations Office					
Las Vegas					
Salaries and Benefits.....	270	255	351	96	37.6%
Travel.....	15	14	20	6	42.9%
Support Services.....	29	31	67	36	116.1%
Other Related Expenses.....	8	13	14	1	7.7%
Total, Nevada Operations Office.....	322	313	452	139	44.4%
Full Time Equivalents.....	3	3	4	1	33.3%
Oakland Operations Office					
Livermore					
Salaries and Benefits.....	991	936	1,229	293	31.3%
Travel.....	55	53	69	16	30.2%
Support Services.....	106	112	234	122	108.9%
Other Related Expenses.....	31	48	50	2	4.2%
Total, Oakland Operations Office.....	1,183	1,149	1,582	433	37.7%
Full Time Equivalents.....	11	11	14	3	27.3%
Oak Ridge Operations Office					
Oak Ridge					
Salaries and Benefits.....	2,161	2,128	2,282	154	7.2%
Travel.....	121	121	128	7	5.8%
Support Services.....	232	254	434	180	70.9%
Other Related Expenses.....	68	110	93	-17	-15.5%
Total, Oak Ridge Operations Office.....	2,582	2,613	2,937	324	12.4%
Full Time Equivalents.....	24	25	26	1	4.0%
Ohio Field Office					
Cincinnati					
Salaries and Benefits.....	540	511	527	16	3.1%
Travel.....	30	29	30	1	3.4%
Support Services.....	58	61	100	39	63.9%
Other Related Expenses.....	17	26	22	-4	-15.4%
Total, Ohio Field Office.....	645	627	679	52	8.3%
Full Time Equivalents.....	6	6	6	0	0.0%
Richland Operations Office					
Richland					
Salaries and Benefits.....	810	766	1,053	287	37.5%
Travel.....	45	43	59	16	37.2%
Support Services.....	87	91	200	109	119.8%
Other Related Expenses.....	26	40	43	3	7.5%
Total, Richland Operations Office.....	968	940	1,355	415	44.1%
Full Time Equivalents.....	9	9	12	3	33.3%

	FY 1999	FY 2000	FY 2001	\$ Change	% Change
Savannah River Operations Office					
Savannah River					
Salaries and Benefits.....	1,081	1,021	1,053	32	3.1%
Travel.....	60	58	59	1	1.7%
Support Services.....	116	122	200	78	63.9%
Other Related Expenses.....	34	53	43	-10	-18.9%
Total, Savannah River Operations Office.....	1,291	1,254	1,355	101	8.1%
Full Time Equivalents.....	12	12	12	0	0.0%
Washington Headquarters					
Salaries and Benefits.....	3,963	3,916	4,037	121	3.1%
Travel.....	224	221	225	4	1.8%
Support Services.....	427	466	766	300	64.4%
Other Related Expenses.....	769	885	805	-80	-9.0%
Total, Washington Headquarters.....	5,383	5,488	5,833	345	6.3%
Full Time Equivalents.....	44	46	46	0	0.0%
Field Services Activities in Washington, D.C.					
Salaries and Benefits.....	2,792	2,894	3,072	178	6.2%
Travel.....	156	164	172	8	4.9%
Support Services.....	300	345	584	239	69.3%
Other Related Expenses.....	543	654	614	-40	-6.1%
Total, Field Services Activities.....	3,791	4,057	4,442	385	9.5%
Full Time Equivalents.....	31	34	35	1	2.9%
D.C. Field Sites					
Salaries and Benefits.....	3,512	3,575	3,686	111	3.1%
Travel.....	196	203	206	3	1.5%
Support Services.....	377	427	701	274	64.2%
Other Related Expenses.....	683	808	737	-71	-8.8%
Total, D.C. Field Sites.....	4,768	5,013	5,330	317	6.3%
Full Time Equivalents.....	39	42	42	0	0.0%
Total Inspector General					
Salaries and Benefits.....	22,873	22,556	24,311	1,755	7.8%
Travel.....	1,278	1,278	1,360	82	6.4%
Support Services.....	2,457	2,692	4,620	1,928	71.6%
Other Related Expenses.....	2,392	2,974	2,709	-265	-8.9%
Subtotal, Program Direction.....	29,000	29,500	33,000	3,500	11.9%
Use of Prior-Year Balances.....	-78	0	0	0	0.0%
Total, Program Direction.....	28,922	29,500	33,000	3,500	11.9%
Full Time Equivalents.....	254	265	277	12	4.5%

Detailed Program Justification

(dollars in thousands)

FY 1999	FY 2000	FY 2001
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Salaries and Benefits

Per the IG Act, the OIG employs auditors, investigators, and inspectors to detect and prevent fraud, abuse, and violations of law and to promote economy, efficiency, and effectiveness in the operations of the Department.....

22,873 22,556 24,311

Travel

Travel is a critical requirement due to the nature of the OIG's work. Extensive travel is required to make first-hand observations of conditions and review original records at DOE sites; conduct interviews; follow up on leads; meet with subjects, witnesses, and U.S. Attorneys; appear in court; etc.

1,278 1,278 1,360

Support Services

Support services are required primarily for contractor expertise, which is needed for financial statement audits required by the CFO Act and GMRA. Additional requirements include ADP services and technical expertise (e.g., actuaries, computer system specialists, petroleum engineers) which could not cost-effectively be maintained in-house.....

2,457 2,692 4,620

Other Related Expenses

Funding is required for OIG contributions to the DOE Working Capital Fund and basic support needs (e.g., ADP equipment and software buys, contract close-out costs, and employee relocation expenses). Also included is training, which is critical for OIG staff to maintain required levels of proficiency and comply with the IG Act by meeting GAO training requirements published in the Government Auditing Standards, 1994 Revision.

2,392 2,974 2,709

Total, Program Direction.....

29,000 29,500 33,000

Explanation of Funding Changes from FY 2000 to FY 2001

FY 2001 vs FY 2000 (\$000)

Salaries and Benefits

Salaries/Benefits increases due to staffing increase of 12 FTEs, pay raise and base salary increases.....	+1,755
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Travel

Travel increases primarily due to inflation and staffing increase.....	+82
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Support Services

Support Services increases due primarily to contracting out the entire financial statement audit, which is conducted to comply with the CFO Act and the Government Management Reform Act.	+1,928
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Other Related Expenses

Other Related Expenses decreases due to a change from start-up to operational status of audit and investigative technology units. Initial hardware and software acquisitions for these units were completed in FY 2000. In addition, Working Capital Fund costs are expected to decrease in FY 2001.....	-265
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Total Funding Change, Program Direction.....	+3,500
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Support Services

(dollars in thousands)

	FY 1999	FY 2000	FY 2001	\$ Change	% Change
Management Support Services					
Consulting Services.....	1,750	2,095	4,000	1,905	90.9%
ADP Support.....	700	590	613	23	3.9%
Administrative Support Services.....	7	7	7	0	0%
Total, Management Support Services.....	2,457	2,692	4,620	1,928	71.6%
Use of Prior-Year Balances.....	0	0	0	0	0%
Total, Support Services.....	2,457	2,692	4,620	1,928	71.6%

Other Related Expenses

(dollars in thousands)

	FY 1999	FY 2000	FY 2001	\$ Change	% Change
Working Capital Fund.....	1,672	1,810	1,716	-94	-5.2%
Training.....	160	260	273	13	5%
Other ^a	560	904	720	-184	-20.4%
Subtotal, Other Related Expenses.....	2,392	2,974	2,709	-265	-8.9%
Use of Prior-Year Balances.....	0	0	0	0	0%
Total, Other Related Expenses.....	2,392	2,974	2,709	-265	-8.9%

^a Includes ADP hardware and software, contract close-out costs, employee relocations, office supplies, etc.